H-1691.2	

## HOUSE BILL 2067

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State of Washington 59th Legislature 2005 Regular Session

By Representatives Hasegawa, Haler, Roberts, Ormsby, Green, Sells and Moeller

Read first time 02/16/2005. Referred to Committee on Health Care.

- 1 AN ACT Relating to establishment of a legislative/executive task
- 2 force on health care access, delivery, and financing; and creating new
- 3 sections.

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- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
  - NEW SECTION. **Sec. 1.** The legislature finds that:
  - (1) Access to necessary and effective health services is an essential need of all human beings, yet almost six hundred thousand people in the state of Washington lack health insurance coverage. Lack of access to health coverage results in increased rates of preventable disease, premature death, and increased cost of publicly funded medical care;
    - (2) The primary method used to pay for necessary care in Washington state is health insurance, whether financed by private or public funds;
    - (3) The cost of health insurance is rising substantially faster than the rate of inflation. These costs are making it increasingly difficult for employers to find and provide decent health benefits to their employees, and have a significant impact on the viability of businesses in Washington state. Moreover, increasing health care costs limit employers' ability to provide wage increases to their employees,

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negatively impacting workers' standard of living. Increasing costs also result in hardship to employees and their families, particularly low-wage workers, who are being forced to bear an increasing portion of this cost burden. State and local governments also are straining under the pressure of rising health care costs;

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- (4) Despite increases in overall health care spending, health care providers are faced with insufficient compensation from publicly funded programs and the growing complexity of administrative requirements, from both public and private purchasers; and
- 10 (5) The state of Washington has a strong interest in ensuring that
  11 all of its residents have access to health coverage, improving the
  12 health status of its residents, and containing rising health care
  13 costs.
  - NEW SECTION. Sec. 2. (1) The legislative/executive task force on health care access, delivery, and financing is hereby established. task force shall consist of thirteen members, as follows: secretary of the department of social and health services, or his or her designee; the administrator of the health care authority, or his or her designee; the secretary of health, or his or her designee; the chair of the state board of health, or his or her designee; representative from the governor's office; four members of the senate appointed by the president of the senate, two of whom shall be members of the majority caucus and two of whom shall be members of the minority caucus; and four members of the house of representatives appointed by the speaker of the house of representatives, two of whom shall be members of the majority caucus and two of whom shall be members of the minority caucus. Staff support for the task force shall be provided by the office of financial management, the house of representatives office of program research, and senate committee services.
  - (2) Task force members may be reimbursed for travel expenses as authorized under RCW 43.03.050 and 43.03.060 and chapter 44.04 RCW, as appropriate.
- 33 (3) The task force shall evaluate the effectiveness of the 34 privately and publicly funded health insurance system in the state of 35 Washington and propose revisions to the system. Any proposed revisions 36 to the system must meet the following criteria:

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(a) Access to ensure health care coverage for all residents of the state of Washington for a reasonable set of necessary health services. The determination of necessary health services shall be based, to the extent possible, upon medical and other evidence related to the clinical and cost-effectiveness of services, with particular attention given to preventive health services and management of chronic illness;

- (b) Significant reductions in administrative costs so that available health care dollars are spent directly on health care services. In reviewing proposals to reduce administrative costs, the task force shall consider the potential benefits of information technology innovations, such as electronic health records, electronic claims processing, and centralized storage of information needed for provider credentialing;
- (c) Adequacy of financing from all sectors of society, including local, state, and federal governments, employers, and consumers. Consumer cost obligations must be based upon ability to pay.
  - (d) Improvement in the health status of residents of Washington state. In developing proposals to achieve this criteria, the task force shall address adequate financing for public health services, the role of personal behavior change in improving health outcomes, increased adoption and use of evidence-based models to manage chronic illness, and payment models that create incentives to achieve improved health outcomes for consumers.
  - (4) The task force shall evaluate any proposed revisions with respect to feasibility and net costs, or savings, as compared to continuation of the current system.
  - (5) The task force shall seek testimony and information from a broad range of health care stakeholders, and actively solicit public input in a community meeting process designed to present the proposals and invite discussion toward building a consensus on revision of the health care system. The task force shall seek grant funds for the community meeting process and is encouraged to coordinate its efforts with others who are educating, listening to, and mobilizing the general public about health care issues.
  - (6) The task force may establish one or more technical advisory committees to assist it in its efforts. The task force shall endeavor to have representation of at least the following interests on the technical advisory committee: Large employers; small employers;

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organized labor; employed health care consumers; low-income health care consumers insured through public subsidized programs; health care consumers who are chronically ill and/or disabled; uninsured consumers; children's health advocates; mental health consumer advocates; health carriers; hospitals; physicians; allied health professions; and local public health officials. Advisory committee members, if appointed, shall not receive compensation or reimbursement for travel or expenses.

(7) The joint task force shall report its findings and recommendations to the governor and appropriate committees of the legislature by November 15, 2006.

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